

Paradise Management Inc.
905 North Main
Fillmore, Utah 84631
(435)743-5848

RECEIVED

APR 29 2004

DIV. OF OIL, GAS & MINING

m/b 31/002

April 26, 2004

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: D. Wayne Hedburg

RE: Your Letter, March 15, 2004

Dear Mr. Hedburg:

Forwarded herewith is our updated notice of Intention to Revise Mining Operations. We have endeavored to encapsulate, in this document, the end position for each of the elements of the NOI as arrived at through a series of reviews, meetings and correspondence over a period of years.

The only element to my knowledge on which we have not reached an understanding and agreement is with regard to R647-4-110.7. The regulation requires that highwalls be reclaimed and stabilized at a slope angle of 45 degrees or less. The original NOI submitted by Interstate Brick Co. also specified a reclaimed slope of 45 degrees or less. More recently, communications emanating from the DOGM and other agencies have indicated that an angle of 20 degrees should be achieved. The Forest Service in the Proposed Action Section of the Environmental Assessment prescribed a 20 degrees slope "where fill material is available to do so".

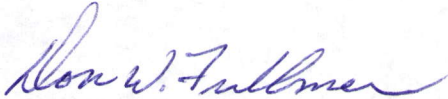
We have, over the years, held to the position that a 20 degrees slope will not be attainable, in the highwall area, given the fill material estimated to be available and the proximity of the Forest Service roads. We have, however searched for some compromise position that could prove acceptable to all parties concerned. We have, somewhat reluctantly, agreed to the statement from the EA (quoted above) on the assumption that the "availability" of material will be reasonably interpreted.

Despite all of the foregoing, the notice of Tentative Decision to Approve contains the unqualified statement that "pit walls and waste dumps will be reduced to a 3h: 1v (20 degrees) slope."

We recognize the implications of this situation in view of our belief that a 20 degrees slope cannot be achieved overall.

We urgently request that you re-examine this issue. We are available to meet or participate at your convenience.

Sincerely,



Don W. Fullmer

Appendix A: Notice of Intention to Revise Mining Operations

Appendix 1: Topographic Maps

- 2: Profile A
- 3: Profile B
- 4: Profile C
- 5: Reclamation Surety Estimate
- *6: Amendment to Credit No. NRS395032
- 7: Reclamation Contract

*Original Letter of Credit to be forwarded to DOGM under separate cover today 4/27/04